

**GOVERNMENT OF INDIA
SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA**

UNSTARRED QUESTION NO:2099
ANSWERED ON:15.03.2017
Financing of Vocational Education and Training
Goud Dr. Boora Narsaiah

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

- (a) the details of ways in which technical vocational education and training is being financed in the country;
- (b) whether Corporate Social Responsibility (CSR) is permitted in Skill Development and Training and if so, the details of funds so far flown into this by PSUs and private companies during the last three years, company-wise and State-wise;
- (c) the quantum of funds of CSR that have been spent on Skill Development during the last three years and the quantum of job opportunities provided thereunder;
- (d) whether with the raising skilled labour costs, large and medium companies are investing in machinery instead of labour; and
- (e) if so, the steps taken by the Government to arrest this trend?

Answer

(a) There are two broad financing models for technical/vocational education and training:

- i. Fee based model where the cost of training is met by the trainees and
- ii. Grant based model where the cost of training is fully/partially met through grant in aid by the Government.

(b) & (c) Skill development is listed as an activity under Section 135 of the Companies Act, 2013 for Corporate Social Responsibility (CSR) projects. The National Skill Development Fund (NSDF) is a public Trust set up by the Government of India for raising funds both from Government and Non Government sectors for skill development in the country. The Fund is contributed to by various Government sources, and other donors/contributors to enhance, stimulate and develop the skills of Indian youth by various sector specific programs. National Skill Development Fund (NSDF) has signed 17 Memorandum of Understandings (MoUs) with several PSUs and Corporates to promote skill development initiatives under Corporate Social Responsibility (CSR) with a total Financial Commitment of Rs. 84.81 crore. Details of the MoUs signed are at Annexure-I. So far 53,462 participants have been trained under the project of MoUs.

(d) & (e) It is a fact that industries are moving towards automation and new technologies to reduce costs and increase production and competitiveness. This is a global phenomenon and the Government is closely analyzing this trend. The Government has taken steps to develop alternate employment opportunities for the labour that might get affected due to automation. The Pradhan Mantri Kaushal Vikas Yojana (PMKVY) aims to provide candidates soft skills, financial literacy and digital learning in addition to the domain knowledge. The scheme aims to provide broader learning to the candidate making him more employable in the job market. The Ministry of Skill Development and Entrepreneurship (MSDE) through its Pradhan Mantri Yuva Yojana (PMYY) aims to create an alternate path through creation of new enterprises by candidates.

Annexure-I

Details of the MoUs signed is as follows:

S.No. Agency with which MoU was signed MoU Start Date Duration (Months) Total Funds Committed (in Rs.)

- 1 Powergrid 14.01.2015 30 65,296,875
- 2 National Thermal Power Corporation Limited (NTPC I) 08.05.2015 23 65,008,125
- 3 National Thermal Power Corporation Limited (NTPC II) 26.06.2015 57 300,000,000
- 4 Rural Electrification Corporation Limited (RECL) 22.08.2015 27 100,000,000
- 5 Mineral Exploration Corporation Limited (MECL)
01.10.2015 24 2,670,000
- 6 Hindustan Computers Limited (HCL) 14.09.2015 18 4,818,000
- 7 National Mineral Development Corporation (NMDC) 29.02.2016 36 12,000,000
- 8 National Aluminium Company Limited (NALCO) 19.11.2015 34 13,120,045
- 9 Department of Public Enterprises (DPE) 29.09.2016 6 37,300,000
- 10 Coal India Limited (CIL) 03.05.2015 23 150,000,000
- 11 Computer Age Management Services (CAMS) 07.09.2015 7 2,400,000
- 12 Cholamandalam Investment and Finance Company Limited (CIFCL) 31.03.2015 12 5,000,000

13	Airports Authority of India	08.06.2016	36	52,500,000
14	GE Power	22.12.2016	8	50,31,000
15	Ingersoll Rand	13.02.2017	6	3,234,854
16	National Hydroelectric Power Corporation (NHPC)	09.01.2017	14	30,186,000
17	Indian Oil Corporation Limited (IOCL)	08.02.2017	12	4,628,064
TOTAL			848	161,963